

Undoing Three Decades of Constructive Effort—Public Deserts Street, and Neither Rally Nor Declines Tempt Return

THE STOCK MARKET OF THE WEEK

Table with 4 columns: High, Low, High, Low. Rows include various stock indices and individual stock prices.

CONDITIONS ARE UNSATISFACTORY, WITH NO SIGNS OF IMPROVEMENT

Operators and Commission Houses Understand the Conditions That Have Brought Liquidation and Disastrous Losses, and Are Interested in the Time When These Shall Be Removed.

BY JOHN GRANT DATER, Special Financial Representative of the Money Publications.

NEW YORK, Oct. 8.—The recovering movement which set in with the issuance of the statement by Mr. Morgan and Judge Gary concerning the status of the United States Steel Corporation, in relation to the Sherman anti-trust act, came to a halt on Monday. Thereafter prices were highly irregular, and no pronounced settlement or violent declines such as characterized the trading of the recent past, the market was regarded as a disappointing affair. This view gained acceptance as the week progressed, and at last it appeared to dominate the entire financial district despite some upbidding of speculators.

What contributed more than anything else to the depression of speculation sentiment was the curtailment of activity on the price improvement. Transactions fell off nearly two-thirds from the total of the preceding week, and it was made clearly apparent very early in the session that the general public was not following up the advance. In fact, it was widely admitted by commission houses that the response from outside sources was a negligible quantity, and as a result a number of professional traders, who had shifted their positions and had gone long of the stock for a turn a week ago, closed out their long lines and worked for reactions, and the market lapsed into a professional performance.

Searching for a Way Out. Although, in view of many disturbing features both at home and abroad, very little was to have been expected of the security market, it is none the less highly disconcerting for the commission brokers to have the fact forced home upon them time and again, recently, that the public seems to have deserted Wall Street. Certainly not within the present generation of stock brokers has there been a condition quite like the present, for the public has shown no disposition to buy on the decline and no disposition to sell on the advance, and that, despite the fact that there have been no defaults, that dividends have been maintained and that stocks generally are on an attractive basis, as measured by interest yield.

Wherever brokers congregate now you are apt to hear this question discussed to the subordination. If not to exclusion of other topics. In other words the disturbed condition of the loss of public confidence, in fully recognized and admitted, and acknowledged the fact that the public has been one another how long this condition can last, how we can work out of it, and when? As one broker put it, "The stock market is in a state of confusion. I don't want to hear about the tariff and the trusts and the railroad and the other things. I know all about them, and I know what effect they have had on my customers, and upon my business, and upon business generally. What I want to know is, how are we going to get out of it, and when?"

Studying the Problem. In seeking a solution for this problem men have been searching the records of the past intervals of depression and in the manner in which the markets have finally thrown off their despondency. They find no exact parallel with the present situation, either in the recovery from the long drawn out period of "war" times, or in the later agonizing period which followed the panic of 1833, and continued until Mr. Bryan's defeat in the Presidential election of 1896. In one particular the present situation is better than either of the foregoing, for countless new corporations have been organized since the war, and corporations were in default, whereas at present there are practically none. Our constructive investment at the present time is not so much in the hands of the public as it was in the hands of the speculative public. The financial district conceived a violent antipathy toward the public, and for this reason it has been unable to bring about a recovery, but it did not waver in its allegiance to the party. It argued that the attitude was not a matter of public policy, it expected different things.

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IN LOCAL FINANCIAL CIRCLES

By I. A. FLEMING.

Washington securities have thrown off the incubus of the unsatisfactory conditions on Wall Street. For several months our market has hesitated under an indirect influence with the serious slump in the industrial and railroad securities of the nation. That there was nervousness and unrest on the part of industry and capital the world over, that the trust prosecutions and the uncertainties of the political situation smashed prices seriously, naturally had some effect on local stocks and bonds. But there should be nothing more than a passing sympathy, and this in time has worn off.

The same conditions do not apply here as on Wall Street. There are no trusts in Washington to be prosecuted, no industries to close. The utilities go on earning their dollars day by day, irrespective of London, New York, or elsewhere. Money is coming out daily, weekly, and monthly, and the securities that the fathers of the generation have made money in are attractive enough to the people of today, irrespective of the action of Wall Street.

It has been a week of rising values of steady prices, and a first closing, with the best strength of the week in Washington Gas and Metropolitan in the stocks, Potomac Consolidated bonds in the bond list, and United States Trust Company shares in the bank stocks.

The remarkable steadiness in prices has been a feature, and where there has been little or no gain there have been no losses. The rise of three points on United States Trust shares, following a session in which they were decidedly weak, came as a surprise to the Street as yet unexplained.

If it requires two months, more or less, in which to settle the question of a private bank examiner for the District of Columbia how long will it take Mr. Claffin and his associates to gather in the cash reserves of all the banks in the country and put national bank notes out of circulation?

Persistent stories are in circulation on the Street about the wonderful savings that the Washington and Georgetown Gas companies are making in this good year. That there was ample opportunity for the saving is evident in the annual meeting; indeed plans were made at that time for the stoppage of this gas as a possible saving. The officials have been pushing the sale of gas in every direction. It is admitted that some reduction in rates and the cutting off of legal fees has made a material increase in the net earnings.

During the absence of President McKinley, the Washington and Georgetown Gas Company staff, has been acting as president and devoting his time to the affairs of the company. Mr. Reside is a director of the Washington Gas Company.

Tomorrow may see the end of the disagreements and the beginning of the peace. It is not likely that this city in the interest of a local bank examiner.

The urgency with which banks all over the country are entering in the competition for postal savings funds of the 2 1/2 per cent interest rate is an evidence of the trend of the times—the depositor wants something besides a bank certificate. The price of a dollar of cash, and banks may expect a growing demand for interest from now on. Bankers are anxious for deposits from any source; it is on the deposits that they accumulate profits. In the steady growth of the savings banks, even when other local institutions are losing in deposits, is some evidence of the fact that interest is beginning to count.

Curb Prices for the Week.

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Young Paulis, Victim Of Shooting, Recovers

Harry Paulis, the fourteen-year-old boy who was the victim of an accident while returning from a gunning trip more than a month ago, will be able to leave Washington Asylum Hospital this week.

McNamara Labor Trial Is Expected To Last Six Months.

LOS ANGELES, Cal., Oct. 8.—With more than 45 witnesses holding themselves ready to appear at a moment's notice, and one of the greatest array of legal lights ever interested in a case in which union labor is involved lined up ready for action, the trial of John J. McNamara, secretary of the Bridge and Structural Iron Workers' Union, and his brother James will begin in department 9 of the county superior court here Wednesday.

Judge Mills' Funeral.

Masonic funeral ceremonies for Judge Samuel C. Mills, well-known jurist of the District, who died at his apartments in the Washington Hotel yesterday afternoon, will be held from 2 o'clock to 3 o'clock at the Washington Hotel.

Husband Pays Bills, But She Sues for Support

Though she admitted on the witness stand that her husband has been giving her \$10 a week and has paid her rent and settled her grocery bills, Mrs. Harry Poore yesterday charged her husband in Juvenile Court with non-support of four children.

Body of Penniless Lobbyist Sent Home

The body of "Col." Jacob Keyser, for the last ten years a well-known lobbyist of the Capital, the most popular of the old "Riggs House Guard," who is said to have spent a private fortune of from \$100,000 to \$250,000 since his coming to Washington ten years ago, was sent to his old home in Lexington, Ky., last night for burial.

Declares His Wife Elopement With Actor

Elopement of his wife, Amanda DeAtley, with Russell E. Hilliard, an actor, is alleged by William DeAtley, one of the proprietors of the DeAtley Hotel, 1222 Pennsylvania avenue north of the city, in a suit for divorce filed in the District Supreme Court.

Arrested as Violator Of Copyright Law

Charged with violating the copyright law, Harry M. Holden, leading man of the Holden Players, now playing at the Majestic Theater, was arrested yesterday by Detectives Howlett and Pratt.

Boys Taking Peanuts Are Held For Parents

Declaring they often slept in stables, store goods boxes, and occasionally wandered to the suburbs, where they spent the nights in barns, Gabriel Tripp and Samuel Weinberg, aged twelve and nine years, respectively, were arraigned in Juvenile Court on a charge of stealing.

FINANCIAL

The Masonic rite of laying the cornerstone will be performed according to ancient usage by Grand Master J. Claude Kelper, assisted by other officers of the District Grand Lodge, at the proper stage of the ceremony, the choir from the St. Louis Consistory will sing "The Cornerstone." The choir will be assisted by the St. Louis Consistory.